These include laying of a pipeline from Kakinada to Haldia, a portion of which would fall in Orissa State, setting up an above ground coal gasification plant and studying the feasibility of setting up of a petrochemical complex.

(c) No, Sir.

(d) Does not arise in view of (c) above.

Expansion of LPG coverage in A.P.

1573. SHRIMATI N.P. DURGA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that only 57 per cent of population in A.P. has been covered by domestic LPG;

(b) if so, what efforts the public sector oil marketing companies are making to increase the percentage of population covered in A.P. from 56 per cent to 75 per cent at the end of this year; and

(c) what is the impact of Government's advice to public sector oil marketing companies to concentrate their expansion plan in semi-urban and rural areas?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHAJ. PATEL): (a) As on 01.02.2006, Public Sector Oil Marketing Companies (OMCs) were operating 602 LPG distributorships in the State of Andhra Pradesh. Through these distributorships, OMCs are serving about 83.37 lakhs LPG customers covering 57.5% population of Andhra Pradesh.

(b) and (c) Public Sector Oil Marketing Companies (OMCs) supply domestic LPG through their distribution network and they have the freedom to set up LPG distributorships at viable locations as per their commercial considerations. Government has advised OMCs to concentrate their future expansion plans in semi-urban and rural areas in the country. OMCs have taken steps in introducing 5 kg. cylinders and setting up community kitchens with a view to covering the uncovered rural areas. It is not possible to indicate any specific time frame for setting up of new LPG distributorships.

Re-negotiation of LNG price with Iran

1574. SHRI PRAMOD MAHAJAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Iran wants to re-negotiate the LNG price with India at current market conditions;

(b) if so, the reasons therefor;

(c) the expected escalation in crude cost per barrel; and

(d) what would be its final impact on present LPG cost to the consumer?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHAJ. PATEL): (a) A Sale Purchase Agreement (SPA) for the purchase of 5 million metric tonnes per annum (MMTPA) of LNG was signed between GAIL (India) Limited (GAIL)/Indian Oil Corporation (IOC)/Bharat Petroleum Corporation Limited (BPCL) and National Iranian Gas Export Company (NIGEC), on 13th June, 2005, in Tehran. The contract period is for 25 years, beginning from the last quarter of 2009. The pricing of LNG has been negotiated on commercial considerations and is linked to Brent crude prices with floor and ceiling.

Through a side letter, dated 13.06.2005, to the LNG SPA, NIGEC conveyed that they need to obtain the approval of their parent company, National Iranian Oil Company (NIOC), for the SPA to become effective.

It is understood that Iranian internal procedures required to be completed for the approval of the SPA have not yet been finalized. However, no communication has been received from the Iranian side suggesting re-negotiation of the LNG price under this SPA.

(b) to (d) Do not arise.

Dual Pricing for LPG and Kerosene

†1575. SHRI MOTILAL VORA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government propose to fix different prices of kerosene and LPG for the people living below poverty line and above poverty line;

(b) if so, whether Government have verified the number of BPL families having LPG at present;

(c) if not, whether such double pricing will not increase the black marketing; and

(d) what is the planning of Government to check black marketing?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHAJ. PATEL): (a) to (c) In order to formulate a, long-term pricing policy, the Government had constituted an Inter-Ministerial

†Original notice of the question was received in Hindi.